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December 6, 2011

Joni Earl, CEO
Sound Transit
401 S. Jackson St.
Seattle WA 98104

Dear Ms. Earl:

Thank you for your letter dated November 8, 2011, written in response to my September 15, 2011 letter. While I appreciate the response, your letter did not provide direct and complete answers to many of the specific questions posed. In the interest of gaining the information that we need from the agency in a timely fashion, I have re-stated the questions in the form of a public records request, listed at the conclusion of this letter. Please direct the response to these records requests to Peter Beckwith, Assistant City Attorney.

I was disappointed that your letter did not address the serious overcrowding issues on Route 577, a critical peak period transportation option for our community. While I appreciate the value of the agency's occasional route observations, at City Hall we are hearing – and have verified -- serious complaints directly from our citizens about this route. One woman reported having to repeatedly ride the entire 30-minute-plus ride from Seattle to Federal Way, standing with one arm raised, holding on to the overhead strap and unable to get seated. In downtown Seattle, the 577 bus regularly bypasses scheduled stops because it's full, leaving riders to wait in the dark for the next bus. In the morning at the Transit Center, long lines of commuters are waiting through one and sometimes two departure cycles of the 577 before being able to board.

These citizens are struggling to get a seat on a Sound Transit bus to or from Seattle at the same time Sound Transit is taking \$13.5 million a year from their community, and has broken its commitment to deliver light rail to their community. I am troubled by the disparity in services received for the revenues generated.

I am also dismayed when I compare Sound Transit's responsiveness to a working-class area such as the Federal Way area's 150,000 residents, to a more affluent service area such as East King County. While we struggle to get existing service issues addressed and are told we must vote for yet another Sound Transit ballot measure if we want light rail, the agency has put a tremendous amount of effort into negotiating a very expensive tunnel route through Bellevue for the East Link. The decision involves an allocation of up to \$110 million of another subarea's (North King) revenues – and yet there does not appear to be a willingness to seek out these types of solutions to bring light rail to a working-class community in the South King Subarea. Without equity of commitment to all service areas, regional light rail is in danger of becoming trains for wealthier communities, while the poor and working class get the shaft.

For decades, Federal Way voters have been hearing empty promises that trains will reach their community. Under ST1, there was a commitment to bring light rail to South 200th Street that did not occur. The ST2 ballot measure promised to bring light rail to Federal Way by 2023, and now we know that will not occur. It appears that our citizens – who are least able to afford a series of additional taxes – will be required to vote for a future ST3 ballot measure, adding an additional tax to the community's ongoing ST1 and ST2 tax burden, if they are to ever see the light rail service promised in ST2.

The East Link decision is also troubling because Sound Transit has told Federal Way that the "subarea equity" policy required cutting the Federal Way link due to a \$1 billion decline in South King Subarea revenues. While the agency's total revenues have declined by \$4 billion, new revenue is being committed to the construction of a tunnel that will cost hundreds of millions of dollars more than the route voters actually approved.

Under the existing approach to "subarea equity," Federal Way, a working class community with one quarter of its population dependent on food stamps and Medicaid, helps pay for the construction and operation of King Street Station, Seattle's Central Link, and the connection between the Central link and Sea-Tac Airport. But when it comes to building light rail to our community, or connecting our community with the regional transportation system, there has not yet been an effort to adapt the subarea equity policy to deliver a regional high-capacity transit service. It leads me to conclude that when it comes to equity in regional transit, Sound Transit is enforcing equity in revenues, but certainly not equity in outcomes.

In considering the scope of Sound Transit's operations, I have to agree with the State Auditor's 2007 recommendation that Sound Transit implement annual *performance and financial audits*. Based on our City's experience, it is currently very difficult to get clear, timely information about the Regional Transit Authority's operations. The fact that the City has had to make several public records requests to find answers to our questions underscores the need for more transparency in Sound Transit's operating procedures.

In ST2, voters approved the largest increase in local and regional taxes in Washington State history; a permanent tax increase as it turns out. Given the size of the agency, the standards for transparency and accountability should be set to the highest levels possible.

I also remain surprised by Sound Transit's compensation and staffing model. Particularly, at a time when public agencies at all levels are struggling with debilitating budget crises, I do not see how one agency can justify paying one-quarter of its employees' salaries of more than \$100,000 – nearly double the median household income in the state. Certainly, compared with the percentage of state agency employees (outside of the education sector) who earn more than \$100,000 a year – only 1.75% – the percentage appears high.

Whether you call the annual pay increases COLAs or performance pay, it doesn't pass the straight face test to provide annual raises in salaries for Sound Transit's employees at a time when state and local governments are reducing their workforces, reducing benefits, freezing and cutting compensation, and using measures such as furloughs to respond to revenue declines. Sound Transit's staffing model is going the other direction, growing by 30 new employees, and including up to \$750,000 in pay raises, according to the proposed 2012 budget.

Meanwhile, at the end of the term of the ST1 and ST2 bonds, Federal Way taxpayers will have contributed more than \$400 million to Sound Transit – near the cost of building CenturyLink Field. To the taxpayers of our working class community, that is a very significant amount, particularly as our community wrestles with critical budget decisions about how to fund public safety and critical human service needs. While you rightly point out that Sound Transit has built roughly \$66 million worth of regional transportation capital improvements within the City, that leaves a gap of \$334 million in what our taxpayers have invested versus the capital infrastructure they will be receiving.

I am hearing daily from residents who are outraged by the way Sound Transit has marginalized this community's needs and not held itself accountable for the broken promises of ST1 and ST2. Therefore, on behalf of the City of Federal Way and the citizens we represent, I am making the public records request below. I also would ask that Sound Transit respond to the following concerns in my September 15 letter which were not addressed substantively in your prior response:

- We request Sound Transit work with Federal Way staff to address the capacity issue on Route 577 and work with Federal Way staff on other critical regional service issues that need to be addressed.
- We request Sound Transit re-allocate the \$55.9 million in ST3 planning funds toward construction of the S. 272nd extension promised to voters. If a board vote is required, then we request that question be put before the Board.
- We request Sound Transit engage a discussion with the City about the level of resources needed to ensure public safety at the Transit Center. We understand what the current commitment is, and request a discussion of the adequacy of that commitment.

I look forward to continuing our discussion about Sound Transit's responsibility to fulfill the commitments made to Federal Way area voters in the ST2 ballot measure.

Yours sincerely,



Skip Priest
Mayor of Federal Way

cc: Gov. Chris Gregoire
Senator Tracey Eide
Senator Jim Kastama
Senator Curtis King
Senator Mary Margaret Haugen
Representative Katrina Asay
Representative Judy Clibborn
Representative Mark Miloscia
Federal Way City Council
Aaron Reardon, Sound Transit Board Chair

List of documents requested through the Public Records Act:

- The Memorandum of Understanding between Sound Transit and the City of Bellevue for the East Link Project tunnel alternative
- Any and all analyses, documents, including but not limited to e-mails of any employee and including but limited to documents on personal devices, financial plans and staff recommendations addressing the funding for the East Link Project, including cost apportionment between subareas, and the relative benefits of the project for each subarea.
- Any and all analyses, documents, including but not limited to e-mails of any employee and including but limited to documents on personal devices, financial plans and staff recommendations supporting the Sound Transit board's determination that the subarea equity policy prevented the S. 272nd St. extension from being funded in part by revenues from other subareas, or by inter-subarea loans
- Any and all analyses, documents, including but not limited to e-mails of any employee and including but limited to documents on personal devices, financial plans and staff recommendations from 2009 to the present that address recommendations and/or decisions to cut costs in capital projects, including estimated annual/lifetime savings of implemented steps
- Any and all analyses, documents, including but not limited to e-mails of any employee and including but limited to documents on personal devices, financial plans and staff recommendations from 2009 to the present that address recommendations and/or decisions to cut costs in administration and management of the agency, including estimated annual/lifetime savings of implemented steps
- Any and all analyses, documents, including but not limited to e-mails of any employee and including but limited to documents on personal devices, financial plans and staff recommendations from 2007 to the present used to assess Sound Transit's compensation and benefits structure
- All salary tables, and documents that show individual staff and compensation levels for all Sound Transit staff and senior management, for the years 2007-present
- All documents and records describing employee benefits packages for the years 2007-present.
- Records of all trips taken, conferences attended, and associated expenses, by the board chair, board members, and CEO from years 2007-present

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King County Councilmember

CHIEF EXECUTIVE OFFICER
Joni Earl

November 8, 2011

The Honorable Skip Priest
Mayor, City of Federal Way
33325 8th Avenue South
Post Office Box 9718
Federal Way, WA 98063-9718

Dear Mayor Priest:

I am writing in response to your letter received September 19th outlining questions about Sound Transit's subarea equity policy, extending light rail south, planning for Sound Transit 3, operating efficiencies, transit service to the City of Federal Way, and security at the Federal Way Transit Center.

The stated purpose of your letter was to provide additional detail to supplement recent meetings on these topics. I hope the following information will provide clarity while our discussions continue. As Sound Transit builds and operates the voter-approved regional transit plan, we remain committed to transparency and open communications with the public and all our partner jurisdictions, including the City of Federal Way.

Subarea Equity

Your letter cites perceived inconsistencies in the application of the subarea equity policy related to "benefits" to a subarea.

Sound Transit is a regional transit agency with projects and services that cross city and county lines. Consequently, benefits are not ascribed specifically along a jurisdictional boundary or by a pre-determined formula. In evaluating how costs and benefits should be allocated within the regional system, the Sound Transit Board used many criteria, including who is using the service, ridership, origins and destinations, affordability, and geographic location. This information was developed, documented, and considered in the planning stages of the individual projects and services. The definitions of subarea equity and the subarea allocation of projects were clearly communicated to the public and subarea community groups in the Sound Move and ST2 ballot measure information. The Sound Transit Board fulfilled its obligation with respect to the subarea equity by submitting an ST 2 Plan to voters that described both the estimated taxes that each subarea would pay and the forecasted benefits provided to each subarea through projects that were either located exclusively in the subarea or that crossed subarea

boundaries. (See, *Detailed Description of Facilities and Estimated Costs, Sound Transit 2, Regional Transit System Plan, Appx. A*) The ballot measure approved by voters also included financial policies that authorized the Board to scale back projects to accommodate the available budget if a subarea's revenues are insufficient to fund the project. (See, *Financial Policies, Sound Transit 2, Regional Transit System Plan, Appx. B*) After reviewing the estimated project costs and benefits, and after being informed that projects could be scaled back because of subarea budget constraints, the voters' approval of the ST 2 Plan and ballot measure became the final decision on subarea equity.

While I appreciate there is an interest in a discussion around the merits of subarea equity, the Sound Transit Board has acted and will continue to act in accordance with the policies the voters approved in 1996 and 2008.

Under the Sound Move and ST2 financial policies, general administrative costs are part of "Regional Fund" or "System-wide" costs. These costs are for programs that benefit the entire region, not a single subarea, and include Insurance, Agency Administration, Research & Technology, Fare Integration, System Access, SStart and ST3 planning. Under our financial policies, the costs of these programs are first paid by interest earnings on agency cash balances and second by contributions from subareas proportional to their share of local tax revenues. In the 2011 Financial Plan, South King's share of revenues is 16% and North King is 29%. In addition to this general administrative overhead, staff working directly on capital projects or transit services charge their costs (and a share of agency overhead) to the projects or services on which they work.

We believe your 15%/2% split is derived from page 140 of the Agency's 2010 TIP. This table includes a variety of costs in addition to general administration. The costs allocated to the subareas (\$6.8 million for North King and \$62.3 million for South King) for this table are twofold: (1) ST Public Art program costs; and (2) capital replacement costs. Under the initial University Link financial plan, the North King subarea had to suspend its contribution to the Agency's capital replacement program until the University Link program was completed in 2016. As such, the remaining \$6.8 million is the subarea's contribution to the ST Public Art program. The South King budget shown on that page is \$62.3 million, of which \$4.3 million is for public art and \$58.0 million is for capital replacement. The agency system-wide costs shown on that table (\$150 million) are allocated as described in the above paragraph. In summary, this difference on page 140 is not due to an allocation for agency administration, but primarily due to contributions at that time for future capital replacement reserves. Since that time, the North King contribution to the capital replacement reserves has been restored in the Agency's 2011 financial plan, which now has North King contributing \$1.2 billion through 2040 (33% of agency total) and South King \$748 million.

Extending Light Rail South

2012 will be another busy year for Sound Transit in the South King County subarea. Route analysis, environmental review and preliminary engineering will be conducted from the proposed S. 200th Street Station to Highline Community College. All alignments, including an I-5 alignment, will be examined for ridership, feasibility, and affordability.

As you correctly state in your letter, the Sound Transit Board also directed staff to include funding in the 2012 budget to examine expanding transit options and alternatives south of the Highline Community College area. Those funds are in the 2012 budget presented to Board members in September. They will consider and amend the budget for final adoption in December.

Sound Transit 3 Planning

ST3 planning was a voter approved project included in the ST2 Plan. However, the Board has not yet determined timing for another ballot measure. As with almost all other projects and services in the ST2 plan, the funding for ST3 planning was reduced last fall as part of the Board's realignment process. The entire amount of funding now allocated for regional ST3 planning is \$55.9 million in 2010 dollars or \$71 million in Year of Expenditure (YOE) dollars. Re-allocating regional ST3 planning funds would require Board approval.

Operating Efficiencies

Sound Transit, like the City of Federal Way, takes decisions regarding revenue shortfalls very seriously. Indeed, a projected loss of nearly \$4 billion – one quarter of our projected revenue for the life of the ST2 plan – is a tremendous challenge. That being said, the Sound Transit Board has met the challenge head on, in a transparent and open way, reducing both capital and operating costs and getting the ST2 plan back in line with projected revenues.

In 2009, Sound Transit developed a white paper (attached) that addressed the recession. The result was the elimination of the 15 percent project reserves and a five percent reduction in other costs. Sound Transit began a major initiative to control service costs during last year's budget process. In the first half of 2011, we deferred or delayed several ST2 service improvements, implemented more efficient bus scheduling, switched two bus routes to lower cost service providers and reduced unproductive bus service. These changes reduced bus costs by over \$7.5 million annually while having a minimal impact on ridership. Additional savings were achieved on Central Link light rail by switching from two-car trains to one-car trains at low ridership times and by delaying the start-up of new Sounder service by one year. Efforts will continue to find ways to deliver service more efficiently and at lower cost wherever possible.

In response to your questions about our personnel costs, it is important to clarify that Sound Transit has one union contract for our Tacoma Link light rail operators, which is currently seven employees. All other ST employees are "at will" and do not receive cost-of-living adjustments (COLA). Employee increases are based on meeting performance objectives. During the 2009-2010 timeframe, we reduced the level of performance pay an employee can receive and gave no raises to senior management. In order to ensure that our pay plan keeps pace with the market, we periodically conduct surveys of our peers. However, market adjustments don't automatically result in raises. If the data shows a need to increase or decrease the range of pay, only those employees falling outside the range are impacted. As an example, if an employee's pay falls below 80 percent of the adjusted range, they are brought within the new range. However, if an employee's pay is above the adjusted range, their pay is frozen until the market catches up. Over the years, the performance based pay structure and market survey system has been very effective. The median salary for Washington Public Employers for 2010 per the Milliman salary survey was 2.3 percent. The average salary increase at Sound Transit was 1.75 percent.

We have just concluded negotiations with our union employees and the ST Board approved the new contract at the October 27, 2011 meeting. The new contract does not include COLA increases.

Sound Transit has 127 employees making over \$100,000 annually. We offer competitive and appropriate employment packages that attract and retain the professional staff necessary to manage the complex, technical projects and services in the voter approved plan. Importantly, federal funding is

included in many, if not most, of our projects. As a result, we must meet federal requirements and oversight for technical capacity and capability. In other words, we are required to fill many positions with people who have the specialized education, training and experience necessary to deliver multi-billion dollar transit projects and services. With the changes we have made due to the recession, we are actually below FTA recommended staffing levels.

Sound Transit is also making the most of lower construction costs and has realized savings on capital projects. A favorable bidding environment was one of the deciding factors for accelerating the extension of light rail to S. 200th.

Serving Federal Way

Sound Transit has invested \$39.46 million in the Federal Way Transit Center and \$26.78 million in the Federal Way HOV ramp. We have been, and will continue to be, committed to providing transit service to the City of Federal Way.

Sound Transit Routes 577 and 578 provide all day, 7-day-a-week service between the Federal Way Transit Center and downtown Seattle. This service is supplemented during weekday peak periods by King County Metro Route 179, which shares the same routing between the transit center and downtown Seattle.

In February 2011, Pierce Transit began operating Route 577 for Sound Transit, replacing King County Metro as the contract operator. At the same time, new MCI highway buses replaced the 12 year-old articulated buses that had been used on Route 577. The MCI buses have the same number of seats as the older buses they replaced, but have less standing room. As a result, some peak period trips were overloaded when the February changes occurred, particularly during the morning commute period. Working with Pierce Transit, we responded immediately by implementing an additional northbound trip on Route 577. Later, King County Metro assigned additional high-capacity buses on Route 179 and adjusted schedules to better coordinate with the Route 577 departures during both mornings and afternoons. Combined with improvements in on-time performance as drivers became familiar with their new assignments, this helped to balance passenger loads and reduce overcrowding. Our most recent Route 577 observations show that average passenger loads do not exceed the number of seats provided, and no conditions where full buses had to pass up passengers have been reported since the February 2011 service change. To handle growth, we implemented an additional peak period Route 577 trip this October and will add a new Route 578 trip in June 2012 (Route 578 is identical to Route 577 except that the route continues beyond Federal Way to Puyallup). We would be happy to discuss the details of these changes with your staff.

Buses aren't the whole story. Sounder commuter rail provides measurable benefits to the citizens of the South King County subarea. Based on parking studies at the nearby Auburn Station, we know Sounder is being used by residents of Federal Way.

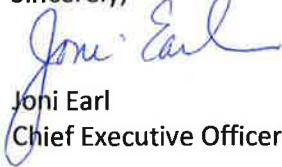
Federal Way Transit Center Security

Sound Transit has worked diligently with the City of Federal Way to ensure safety at the Federal Way Transit Center.

We have increased lighting and camera coverage, installed music to discourage loitering, improved customer emergency call stations, and improved signage. We have 24/7 security on site, augmented by frequent security patrols. We have also dedicated nearly \$400,000 in police staff time to the Federal Way Transit Center over the past two-and-a-half years. My 2012 proposed budget to the Sound Transit Board continues this staffing commitment, which is notable given our nearly 1,000 miles of territory and a police department with just 34 commissioned officers. In addition, this commitment started as a one-year supplement, but we agree it seems to be working effectively in partnership with the City.

Let me conclude by reiterating that nobody wants to complete the entire ST2 plan more than Sound Transit. That includes the City of Federal Way. However, it is simply not possible by the projected date of 2023 with projected revenues. South King County subarea revenues are nearly \$1 billion under projections. Sound Transit is doing everything possible to move forward within that reality, including a thorough and consistent examination of expenditures, efficiencies, costs, processes and additional revenue sources. As hard as we may try, we will not be able to bridge a \$1 billion funding gap in this current economic environment. We are working with every subarea on innovative ways to improve transit service with available resources. Board members and Sound Transit staff are committed to exploring every feasible option consistent with the voter-approved plan. We look forward to continuing as partners with the City of Federal Way in this effort.

Sincerely,



Joni Earl
Chief Executive Officer

cc: Sound Transit Board of Directors
Federal Way City Council



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Joni Earl, CEO
Sound Transit
401 S. Jackson St.
Seattle WA 98104

Dear Ms. Earl:

I am writing to follow up on recent meetings between City of Federal Way officials and staff and Sound Transit staff on the South Corridor HCT Project. Thank you for the productive and positive conversations which I believe are moving our respective agencies toward the common goal of an efficient regional light rail system that also serves Federal Way-area transit users. We particularly appreciate the efforts of your staff to identify ways in which we can ensure that the needs of the working-class communities of South King County are addressed.

Based on the past discussions and a review of Sound Transit planning and financial documents, several key areas of emphasis and/or concern have emerged. The purpose of this letter is to highlight these topics for further, detailed discussion.

The subarea equity policy and its application

The subarea equity policy has been characterized by Sound Transit board and staff as a constraint in mobilizing additional financial resources to address the financial shortfall in the South King County subarea and keep the promise made to voters to extend light rail to Federal Way by 2023. In attempting to understand the agency's actions through Sound Transit 1 and 2, we have developed a number of questions and concerns about the subarea equity policy and Sound Transit's application of the policy over time.

The subarea equity policy states that equity is defined as "*utilizing local tax revenues for projects and services...generally in proportion to the level of revenues each subarea generates.*" The policy further states that "*subareas may fund projects or services located outside of the geographic subarea when the project substantially benefits the residents and businesses of the funding subarea.*"

Based on the information provided by Sound Transit this policy has been applied in an inconsistent manner. Some subareas are exempt from contributing to the cost of certain infrastructure projects even if those subareas receive a benefit from the project, while other subareas are required to pay for the entire cost of certain projects regardless of the level of benefit those subareas receive.

For example, the North King Subarea does not pay for any costs associated with Sounder commuter rail or ST Express bus service, each of which would seem to provide a

substantial benefit to the North King Subarea. However, the South King subarea is required to pay for a substantial portion of the Central Link between Seattle and Tukwila, (while only the Tukwila Station is in the South King subarea), and the South King subarea is required to pay for the entire cost of the Link extension between Tukwila and the SeaTac airport even though this extension would appear to primarily benefit the North King subarea.

A related concern is how agency administration costs have been apportioned among the subareas. The South King Subarea, for instance, directly pays for 15 percent of the lifetime agency administration costs, while the North King Subarea pays 2 percent (Adopted 2010 Transit Improvement Plan). Ironically, the subarea that pays the least is the headquarters for the agency. What factors led to this inequity between the subareas in administrative costs? How is this supported by the subarea equity policy?

Is there a formal analysis for applying the subarea equity policy to a specific project? What criteria are used to determine what constitutes a “substantial benefit for a subarea’s residents and businesses?” What specific analyses supported the apportionment of Central Link, Sounder and ST Express costs to the South King Subarea and disqualified the Federal Way extension from similar inter-subarea support from other subareas that would benefit from that extension?

We understand that the subarea equity policy originated in order to prevent wealthier areas such as North King from drawing an inequitably large proportion of revenues from other subareas. In practice, however, this is precisely what has happened, much to the detriment of the working class communities of South King County.

Examination of the South Corridor HCT Project alignment

I greatly appreciate the board’s direction in supporting an alternative alignment analysis for the South Corridor HCT Project towards Federal Way. Given the revenue reduction facing Sound Transit, I believe it is imperative to thoroughly examine alternative ways to achieve the original goals of the project at a reduced cost. It’s likely that an I-5 alignment will cost significantly less than the planned Pacific Highway alignment, which could enable the South Corridor HCT Project to be extended farther south during ST2. In this analysis, though, it will be important to also identify the most cost-effective route and location for the line to branch off to I-5 from the S. 200th St. Station.

Planning funds for Sound Transit 3

In discussion with Sound Transit CFO Brian McCartan, we were informed that the agency has allocated \$55 million of ST2 funds to plan for a future ST3 financing package. While we appreciate the importance of planning for the future under normal circumstances, these are not ordinary circumstances. We are concerned that while Federal Way is the only city to have its promised Link project cut, a sizable amount of ST2 funds are being held for a ballot measure that is far off into the future. We believe fulfilling current commitments to the voters should be considered a higher priority and these monies should be re-purposed to that end. This is especially important since the prospects of a subsequent ballot measure will depend to a large degree on the extent to which voters feel the agency met its earlier promises.

Operating cost efficiency measures employed by Sound Transit.

As with all other local, regional and state government agencies, Sound Transit has experienced significant declines in revenues since the beginning of the economic recession in 2008. The agency has repeatedly pointed to the financial shortfall in explaining the decision to cut the Federal Way area out of ST2's light rail component.

While we appreciate the repercussions a revenue shortfall can have on capital projects, questions remain about the extent to which Sound Transit as an agency has taken steps to contain its administrative and operating costs. Based on the information provided by Sound Transit staff we are left with many questions about the steps Sound Transit has taken to control administrative and personnel costs to combat decreased revenues.

For example, will Sound Transit continue to give its union employees 6 percent raises in addition to step increases, as it did in 2010? It appears that Sound Transit's practice is to increase its salary schedule by 4 percent as it did in 2009. Is this practice being reviewed, in light of revenue decreases? Has Sound Transit evaluated whether it is necessary for a quarter of Sound Transit employees to make over \$100,000 a year?

I don't offer these questions lightly. The City of Federal Way has had to grapple with painful budget decisions during recent years. Our residents expect us to find creative ways to continue to deliver high quality services and projects despite our revenue shortfalls. That has challenged us to be innovative in finding cost efficiencies in both capital and operating budgets.

Our concern, as a city bearing the brunt of the ST2 capital cost reductions, is that it appears that the agency has focused exclusively on cutting capital projects. We would like to know specifically what steps Sound Transit management has taken to realize cost efficiencies in its capital projects, and in the administration and management of the agency itself.

Ensuring Adequate Current Service to the Federal Way Area.

Sound Transit is collecting approximately \$11 million a year in sales tax from Federal Way taxpayers, while the promised light rail service has been delayed and may not reach the City's northern boundary for a quarter of a century or longer. There is a distinct possibility that even after paying an estimated \$160 million over the life of the ST1 bond and \$240 million over the life of the ST2 bond, that Federal Way voters will not see light rail reach the city at all.

We appreciate that the board and staff are committed to working with us to address the challenges of bringing light rail to Federal Way. This disparity between Federal Way's current, ongoing contribution to Sound Transit, and the distant and tenuous nature of the benefit, highlights the importance of addressing the very real immediate transportation needs of the community.

The Federal Way area is one of the largest and most transit-dependent areas in South King County. Our commuter bus service is currently at capacity, with many of our peak

hour bus routes at standing room only. It is not uncommon for Federal Way bus commuters to be unable to board a full peak-hour bus and need to wait for the next bus.

The 577 route, in particular, has been the subject of frequent rider complaints about full buses during the morning and evening commutes. We would like Sound Transit to address the capacity issue on the 577 and work with Federal Way staff to identify other critical route capacity issues that can be addressed.

Transit Center Security Commitments

The Federal Way Transit Center is reaching capacity and generates ongoing security challenges. With a downtown location, security concerns created by the transit center carry a higher risk due to the large number of people downtown, and the potential to undermine downtown economic development efforts. Our Police Department has done a tremendous job allocating resources to ensure that the downtown area, and the transit center in particular, remain safe for our residents and visitors. With limited resources at our disposal, however, emphasis on the transit center draws police resources away from other areas of the city. We strongly encourage further discussion about the level of resources needed to ensure public safety at the transit center.

It is our hope, particularly in light of Federal Way taxpayers' ongoing fiscal contribution to regional transit, that Sound Transit will be able to demonstrate a commitment to addressing immediate issues such as inadequate bus capacity and transit center security concerns.

We remain appreciative of the positive dialogue Sound Transit board and staff have established and maintained since the May 26, 2011 board meeting. Though these are challenging times for public agencies at the local and regional level, working together to find solutions will bring us closer to the goal of a regional transit system that efficiently moves people around the region.

Sincerely,



Skip Priest

Mayor of Federal Way